

House Speaker Resists Ethics Move

By Jack Anderson

The Senate Ethics Committee, reluctant at first to investigate a colleague, is now digging with quiet determination into the affairs of Sen. Tom Dodd (D-Conn.). But on the House side, Speaker John McCormack is more anxious to cover up than clean up House scandals.



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The Speaker has stoutly resisted the idea of forming a House Ethics Committee to police the conduct of Congressmen.

If the House should ever get around to establishing an ethics committee, this column will be happy to supply the names of Congressmen who should be investigated. The majority, as in the Senate, are scrupulously honest. But some Congressmen bear investigation.

The House Ethics Committee, if McCormack would permit it to be formed, could begin with Rep. Abraham Multer (D-N.Y.), a bespectacled, benign-appearing Brooklyn attorney whose plump figure, rosy face, and angelic glow give him more the look of a clergyman than a political manipulator.

But, as the No. 2 Democrat

on the House Banking and Currency Committee, he has used his influence to promote his own banking interests. Both he and his wife have invested in banks while he has been passing on banking legislation.

Congressional Heat

He has also brought pressure on the Federal Home Loan Bank Board, which comes under the jurisdiction of his committee, to give favorable rulings on savings and loan outfits in which he has an interest.

Multer tried to persuade the board, for example, to charter the Park Central Saving and Loan Company in the suburbs of the Nation's capital. When the board turned down the application, he paid repeated calls on then-Chairman Joseph McMurray and finally hauled him before the Banking Committee to put on the heat.

McMurray explained that the board couldn't approve the charter because less than 5 per cent of the stockholders were local residents. The proposed savings and loan company, he testified, was controlled by "a few men in New York."

"It shouldn't matter to you where that money came from," snapped Multer, "whether it came from Alaska or California or anywhere else."

"If a small group controls the capital of an association,"

replied McMurray, "there can be manipulation . . . For the long-run benefit of the community, it might not be good to have a few, especially outsiders, operating it."

Multer didn't mention that he was one of the New Yorkers who had invested in the company. Another: Harlem's Rep. Adam Clayton Powell (D-N.Y.).

'Legal Advice'

This column also learned that a Florida group, seeking a bank charter in 1960, paid Multer's law firm \$10,500 for "general legal advice." A member of the group told this column that Multer was expected to use his influence, as a member of the Banking and Currency Committee, to help get the charter.

The law firm has also represented other banking clients. Indeed, Multer's law partner, Milton A. Seymour, is vice president of the Gotham Bank of New York. Multer's wife was also one of the charter stockholders in the District of Columbia National Bank.

The Congressman himself helped to organize a Swiss-style bank in the Bahamas, thus getting around the banking laws he helps to write for his own country. The Guarantee Trust Company, as the bank was impressively called, was supposed to become a haven for depositors who

wanted to establish secret accounts. For banks in the Bahamas are permitted to operate under the same secrecy as those in Switzerland.

One of the depositors was the late Gene San Soucie, a high Teamster official who deposited 66 \$1000 bonds in Multer's bank. The bonds later turned out to be counterfeit.

Multer also arranged for the bank to handle a lottery, called the Medical Award, patterned after the Irish Sweepstakes. The lottery tickets were printed in Ohio and shipped across state lines, which is a violation of Federal law.

The versatile Brooklyn Congressman also made a quick \$85,000 profit on a Florida land deal, backed by Teamster Union funds. He was supposed to be paid a \$50,000 annual salary for 10 years, plus a percentage of the profits, by the Honeymoon Isle Development Corp., which planned to develop property on Honeymoon Isle near Tampa.

When the project started floundering, Multer pulled out for a quick \$85,000 profit.

There are a lot of other mysteries about Multer, which would take a House investigation to clear up.

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Drew Pearson will report on an uproar in New Jersey over Jackie Kennedy's riding to the hounds—over WTOP radio tonight at 6:40.